

## **The nomination committee's proposal and motivated opinion for the annual general meeting 2020**

The nomination committee of Xspray Pharma AB (publ) (the "Company" or "Xspray") which consists of Michael Wolff Jensen (chairman of the board), Gillis Cullin (appointed by Östersjöstiftelsen), Anders Bladh (appointed by Ribbskottet AB) and Jan Dworsky (appointed by the Swedbank Robur Fonder), proposes the following:

- that Dain Hård Nevenon, member of the Swedish Bar Association, shall be appointed chairman of the general meeting,
- that the number of members of the board shall be six (seven) without deputies,
- that an audit firm shall be appointed as auditor,
- that the directors' fees shall be paid with SEK 350,000 (250,000) to the chairman of the board, with SEK 175,000 (125,000) to each of the other ordinary board members, with SEK 45,000 (30,000) to the chairman of the audit committee and SEK 20,000 (15,000) to each of the other members of the audit committee, and with SEK 30,000 (30,000) to the chairman of the remuneration committee and SEK 15,000 (15,000) to each of the other members of the remuneration committee,
- that fee to the auditor shall be paid in accordance with approved statement of costs,
- that the board members Michael Wolff Jensen, Maris Hartmanis, Carl-Johan Spak, Torbjörn Koivisto, Gunnar Gårdemyr and Christine Lind are re-elected as board members for the period until the end of the next annual general meeting. Hans Arwidsson has declined re-election,
- that Michael Wolff Jensen is re-elected chairman of the board,
- that KPMG AB is re-elected as audit firm, in accordance with the board's recommendation, whereby KPMG AB has informed that Duane Swanson will be auditor in charge, and
- that there shall not be any adjustments to the current principles for appointing the nomination committee.

Information regarding the individuals proposed by the nomination committee for re-election is available at the Company's webpage and in the Company's annual report 2019.

### **The work of the nomination committee and motivated opinion**

The nomination committee has had four documented meetings ahead of the annual general meeting 2020 and has, in addition thereto, on several occasions had informal contacts. Particular attention has been given to the composition of the board and how the board of directors operates as a group, and the nomination committee has also discussed the evaluation of the board's work. The nomination committee has also evaluated the level of remuneration to the board. The increased remuneration has been proposed in the light of the that nomination committee considers that the scope of the board of directors' work justifies a increased remuneration, especially in light of the expected increased work efforts as a result of the listing on Nasdaq Stockholm and the new operational phase Xspray intends to enter into. In addition, a comparison of remuneration levels on Nasdaq Stockholm Small Cap shows that Xspray's level of remuneration with regard to the work of the board of directors are lower than the level of remuneration in comparable companies and the nomination committee considers that this circumstance also justifies an increased remuneration to the board of directors.

The nomination committee has, as basis for its work, executed an evaluation of the board of directors and held interviews with all members of the board of directors regarding the board and its work. The size of the board as well as its composition with regard to, inter alia, experience of the industry and qualifications has also been discussed.

The nomination committee has, in its work ahead of the annual general meeting, had an objective to ensure that the board, as a group, has the necessary competence and experience with regard to Xspray's

operations and developing stage and to be able to continue to lead the Company in a successful manner. The nomination committee has, in particular, taken into account the need for diversity and variety in terms of competence, experience and background, in consideration of, inter alia, the Company's strategic development, governance and control. The nomination committee has also discussed perspectives of diversity, taking the view that such perspectives are material with regard to the composition of the board and that a gender balance shall be strived for. The nomination committee notes that the board, in the event the nomination committee's proposal is adopted by the annual general meeting, will consist of one woman and five men. As regards the composition of the board, what is set forth in section 4.1 of the Swedish Corporate Governance Code (the "Code") has been applied as a diversity policy.

The nomination committee is of the opinion that the proposed board of directors consists of a wide and diversified group of qualified individuals who are motivated and who fit for the work required by a board of Xspray. The nomination committee is also of the opinion that the board members complement each other in terms of competence and experience.

The nomination committee complies with the Code. When assessing the independence of the proposed board members, the nomination committee has found that all proposed board members are independent and that the nomination committee's proposed composition of the board of the Company thus fulfils the requirements regarding independence set forth in the Code.

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April 2020  
The Nomination Committee  
Xspray Pharma AB (publ)